

# Rules on sponsorship and donations

Basic details	
<b>Title</b>	Rules on sponsorship and donations
<b>Designation of act</b>	PR_S
<b>Subject</b>	the rules include Sava Re policies regarding donations and sponsorships
<b>Status</b>	in force
<b>Version</b>	issued version 3.0
<b>Document reference number</b>	2023/KUSP/14
<b>Administrator</b>	office of the management board and of compliance
<b>Adopted by</b>	Company's management board
<b>Consent by</b>	/
<b>Regulatory review</b>	/
<b>Confidentiality level</b>	internal confidential
<b>Date adopted</b>	19/9/2023
<b>Applicable as from</b>	19/9/2023
<b>Document superseded</b>	Rules on sponsorship and donations dated 15/9/2020
<b>Periodic review</b>	2 years
<b>Scheduled date of review</b>	1/10/2025
<b>Language versions</b>	Slovenian
<b>Distribution list</b>	1. all Company employees

**Contents**

<b>1</b>	<b>Preliminary provisions.....</b>	<b>3</b>
<b>2</b>	<b>Definition of sponsorship and donations .....</b>	<b>3</b>
<b>3</b>	<b>Planning of donation and sponsorship spending .....</b>	<b>3</b>
<b>4</b>	<b>Donation and sponsorship target areas .....</b>	<b>4</b>
4.1	Donation areas.....	4
4.2	Sponsorship areas .....	4
4.3	Areas not supported by the Company .....	4
<b>5</b>	<b>Selection and payment procedure .....</b>	<b>5</b>
<b>6</b>	<b>Archiving.....</b>	<b>5</b>
<b>7</b>	<b>Discharging obligations under contracts .....</b>	<b>6</b>
<b>8</b>	<b>Monitoring the use of funds and reporting .....</b>	<b>6</b>
<b>9</b>	<b>Final provisions .....</b>	<b>6</b>

On the basis of Article 2 of the Rules of Procedure of the Management Board of Sava Re d.d., the Company's management board adopted the following document at its 45th session, held on 19 September 2023:

## **Rules on sponsorship and donations**

### **1 Preliminary provisions**

The document presents the policies of Sava Re d.d. (hereinafter: the Company) regarding donations and sponsorships.

The Company nurtures common values that are reflected in a positive work environment, sound business culture and lasting relationships. By definition, insurance is the provision of economic security through risk-spreading techniques, which is why we are building a friendly and responsible relationship with the environment and the broader community. We are committed to improving safety and quality of life through continuous progress. We also contribute to the natural and social environment through donations and sponsorship, supporting areas and projects aligned with our mission and vision.

The purpose of these Rules on sponsorship and donations (hereinafter: the Rules) is to define the areas that the Company supports through sponsorship and donations and the rules and procedures for planning and allocating funds.

### **2 Definition of sponsorship and donations**

**Sponsorship** is a business partnership involving a contractually defined mutually beneficial cooperation. Sponsors generally use sponsorship to promote their brands. In terms of corporate tax, sponsorship money is tax deductible, but with regard to value added tax, the sponsored party is carrying out a commercial activity, meaning that value added tax is due.

**Donation** is a charitable and non-commercial activity that is given without any form of consideration in return. Donations may reduce the donor's tax base for corporate tax, but value added tax, however, is not due. If the beneficiary of the donation is a legal person, such income is not taxable.

In line with the Company's mission and mode of operation, and based on the above, it is the Company's policy to support its preferred areas and projects primarily through donations.

In sponsorship, the Company's primary aim is to raise its profile and strengthen its brand in order to achieve its business goals.

The Company will make decisions regarding the form and manner of cooperation on a case-by-case basis, possibly by a resolution of the management board.

### **3 Planning of donation and sponsorship spending**

In line with the process of preparing the annual and strategic plans, the office of the management board and of compliance is the unit responsible for preparing the annual plan for donation and sponsorship spending.

The planned expenses are part of the Company's annual business and financial plan, which requires the approval of the Company's management board and the consent of its supervisory board.

## 4 Donation and sponsorship target areas

The Company promotes social responsibility as part of its sustainable development process, raising its profile; it conducts its business in an ethical manner and seeks to “give back” to the environment. The Company’s sustainable development strategy focuses primarily on promoting universal health and well-being and combating climate change, which are two of the UN’s central global sustainable development goals (UN SDG). The Company supports and invests primarily in the following areas:

- health, preventive healthcare, promotion of healthy lifestyles and activities contributing to the improvement of overall well-being,
- development and education (focus on marginal groups and individuals),
- charity and social security (focus on marginal groups and individuals),
- ecology,
- areas that drive economic growth and development, with a focus on start-ups that develop innovative solutions,
- awareness of climate change and other environmental issues,
- areas that drive economic growth and development, with a focus on start-ups that develop innovative solutions, particularly in the areas of health promotion and healthy lifestyles, as well as climate change adaptation and mitigation.

### 4.1 Donation areas

- health and preventive healthcare (focus on marginal groups and individuals), including preventive action,
- charity and social security (focus on marginal groups and individuals), including preventive action,
- ecology, including preventive action,
- development of science,
- education,
- social protection (disaster relief), including preventive action,
- congresses, conferences and other business events (including those with own professional and material contributions).

### 4.2 Sponsorship areas

- congresses, conferences, business and professional/scientific events (including those with own professional and material contributions),
- development, research and education,
- arts, sports and recreation,
- activities promoting preventive action based on universal safety and protection of property, health and life.

### 4.3 Areas not supported by the Company

- political parties or individual politicians,
- organisations supporting racial, sexual, religious and/or any other form of discrimination,
- projects that are offensive or ethically or morally objectionable.

The Company does not make remittances of donations to natural persons.

At the end of each year, the Company intends to make a major donation to a selected charity using funds earmarked for donations or any unspent funds earmarked for business gifts.

Employees give proposals for this kind of donation and vote on it. The office of the management board and of compliance is responsible for carrying out the procedure and submitting a donation proposal to the management board, including details on the beneficiary and the amount of the

donation. Based on a management board resolution and in line with these Rules, a contract is signed with the beneficiary of the donation and the funds are remitted based thereon.

## 5 Selection and payment procedure

The office of the management board and of compliance collects applications for donations and sponsorship, as a rule, in electronic form, sent by email or using the form published on the Company's website.

Applications are reviewed, and potential recipients of funds are selected by the donations and sponsorship committee, which is appointed by a resolution of the management board and acts independently and impartially. If a conflict of interest arises in the decision-making process for any sponsorship or donation, the committee member who may be subject to the conflict of interest is to exclude him- or herself and abstain from discussing and voting on the sponsorship or donation.

Four times a year, after the close of each quarter, the committee reviews all applications submitted by the last day of the quarter. The committee may, exceptionally, meet between two regular sessions if required due to a tight schedule or other valid reasons.

When deciding on the allocation of sponsorship funds, the committee considers the Company's annual financial plan and the principle of proportionality (between the amount of allocated funds and the financial situation of the Company), the principle of objective justification of the sponsorship in terms of the expected benefits to the Company and the principle of sufficient diversification.

In awarding donations, the committee considers, in particular, criteria such as the consistency of the applicant's activities with the Company's activities, the applicant's qualifications, the quality of the applicant's identified needs and the relevance of the applicant's objectives.

When awarding sponsorship funds, the committee considers, in particular, criteria such as event attendance, relevance and opportunity for cooperation, as well as media coverage, advertising, venue and profile of the project or event.

The committee prepares selection proposals for the management board. The management board decides on the selection proposal by resolution.

The office of the management board and of compliance informs applicants of selection decisions by the last day of the month following the end of each quarter or within a period determined by the management board.

Each beneficiary of a sponsorship or donation is to sign a written contract reviewed by the compliance function holder and initialled and signed in line with the Company's rules on signing and use of stamps. The standard form donation and sponsorship agreements are appended and form an integral part of these Rules.

The Rules on sponsorship and donations are published on the Company's website.

## 6 Archiving

For the purposes of this section, the following definitions apply:

- **applications** are requests for donations and sponsorship, which are approved by a resolution of the management board on a proposal from the committee,
- **contracts** are donor and sponsorship agreements,
- **material** such as applications, contracts, evidence of sponsorship and reports from beneficiaries of donations on the intended use of the funds.

The material is stored in electronic form in the archive of the office of the management board and of compliance and in the register of contracts.

Access to donation and sponsorship agreements is provided to:

- the Company's management board,
- the director of the office of the management board and of compliance,
- the members of the donations and sponsorship committee,
- persons who have the right to supervision by law or by virtue of their employment contract or the Company's internal regulations,
- other persons based on authorisations granted.

## **7 Discharging obligations under contracts**

Obligations arising from donation or sponsorship agreements are settled by transfer to the bank account of the contracting party indicated in the agreement. Payments to natural persons are not allowed.

## **8 Monitoring the use of funds and reporting**

Donations and sponsorship funds spent are overseen by the office of the management board and of compliance.

The office of the management board and of compliance immediately notifies the management board upon reaching or exceeding the limit of funds planned for donations and sponsorship.

By the end of February each year, the office of the management board and of compliance prepares and submits to the management board a report on all donation and sponsorship funds granted in the previous calendar year. The Company's management board takes note of the report.

## **9 Final provisions**

The Rules enter into force and apply from 19 September 2023.

Once these Rules come into force, the Rules on sponsorship and donations dated 15 September 2020 cease to apply.

Ljubljana, 19 September 2023

Management Board of Sava Re d.d.

---

Marko Jazbec, Chairman

---

David Benedek, Member

---

Polona Pirš Zupančič, Member

---

Peter Skvarča, Member